

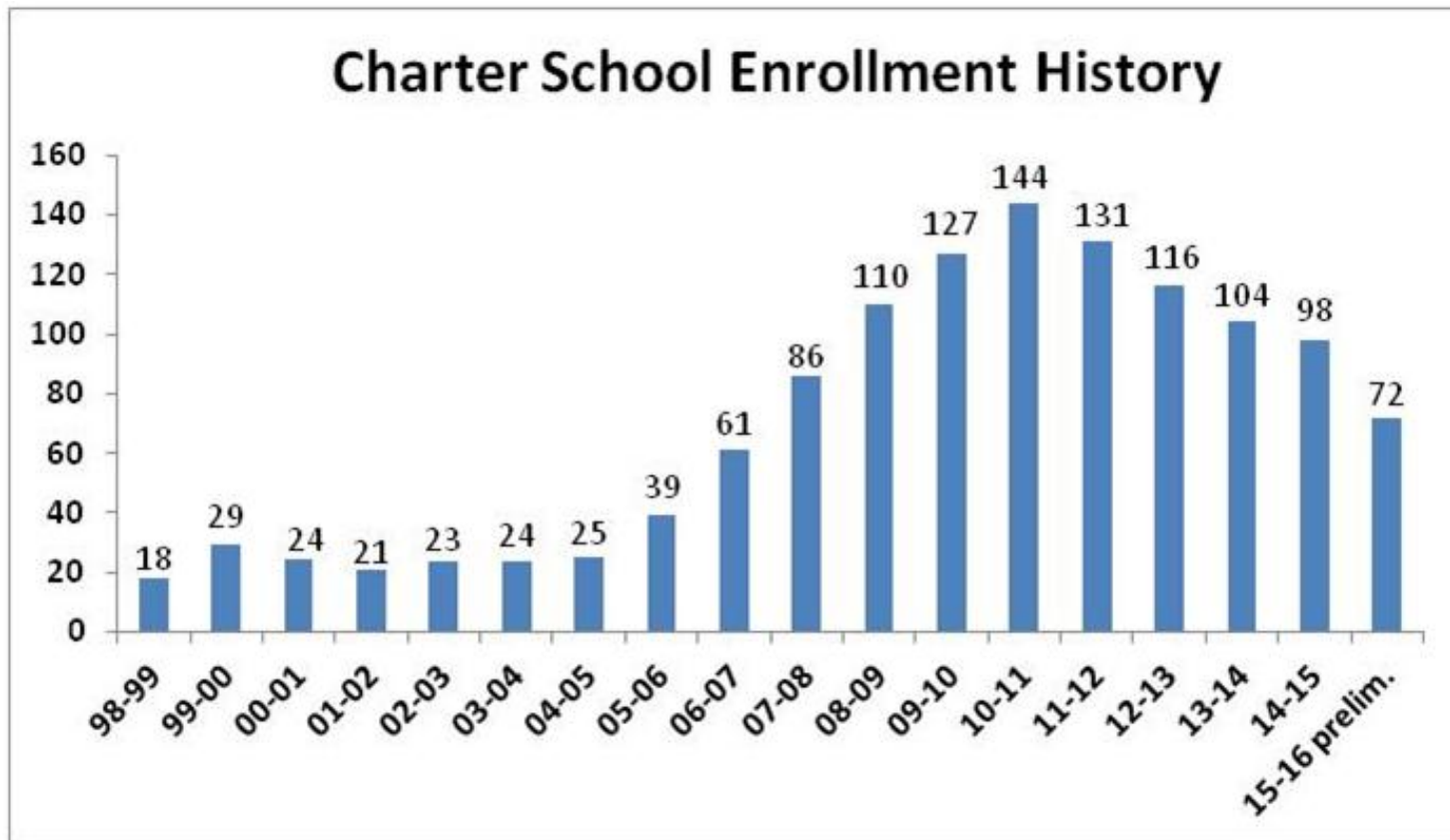
Charter Schools and School Choice: Annual Report

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January 6, 2016

Topics

- Enrollment and finances related to:
 - Charter Schools
 - School Choice
 - Virtual Schools
- Summary Notes and Considerations

Charter School Enrollment History: Shrewsbury Resident School-Age Children



Charter School Enrollment by Grade 2015-2016 [as of Dec. 2016]

K-4 = 4 students

5-8= 17 students

9-12= 51 students

We can project a continued decline in FY17 and beyond under current conditions. Continuing our investment in S.P.S. is required to maintain competitive & comparative advantage.

FDK	Grade 1	Grade 2	Grade 3	Grade 4	Grade 5	Grade 6	Grade 7	Grade 8	Grade 9	Grade 10	Grade 11	Grade 12	Total
2	1	0	0	1	0	5	5	7	9	9	20	13	72
FDK	Grade 1-4				Grade 5-6		Grade 7-8		Grade 9-12				Total
2	2				5		12		51				72

Tuition, Aid, & Net Cost History

- ▶ Annual tuition rate is approximately \$12,800 per student.
- ▶ The fundamental objection to the funding scheme is that when a student attends a charter school, the average cost in dollars is diverted to that school. Yet the marginal cost for us to educate is close to \$0 because most of the costs to educate are fixed costs.
- ▶ Returning all the charter students would gain the town over \$1M in revenue with \$0 additional costs, as students would be “absorbed” into the district across all grade levels.
- ▶ State reimbursement [Chapter 46 Aid] has declined significantly.

Massachusetts Department of Elementary and Secondary Education

SCHOOL FINANCE

Summary of Historical Sending District Charter School FTE, Tuition, and Reimbursements

271 SHREWSBURY ▼	FY09	FY10	FY11	FY12	FY13	FY14	FY15
FTE	110.15	127.16	144.14	130.79	116.28	104.36	98.19
Tuition	1,025,068	1,151,129	1,321,539	1,279,450	1,226,276	1,142,099	1,221,904
Facilities Aid	95,665	106,489	118,052	113,196	100,058	90,037	85,270
Chapter 46 Aid	446,696	351,695	330,718	85,807	38,006	38,663	81,365
Total Aid	542,361	458,184	448,770	199,003	138,064	128,700	166,635
Net Cost to District	482,707	692,945	872,769	1,080,447	1,088,212	1,013,399	1,055,269

Preliminary FY16 Charter School Tuition & Reimbursements

Massachusetts Department of Elementary and Secondary Education OFFICE OF SCHOOL FINANCE

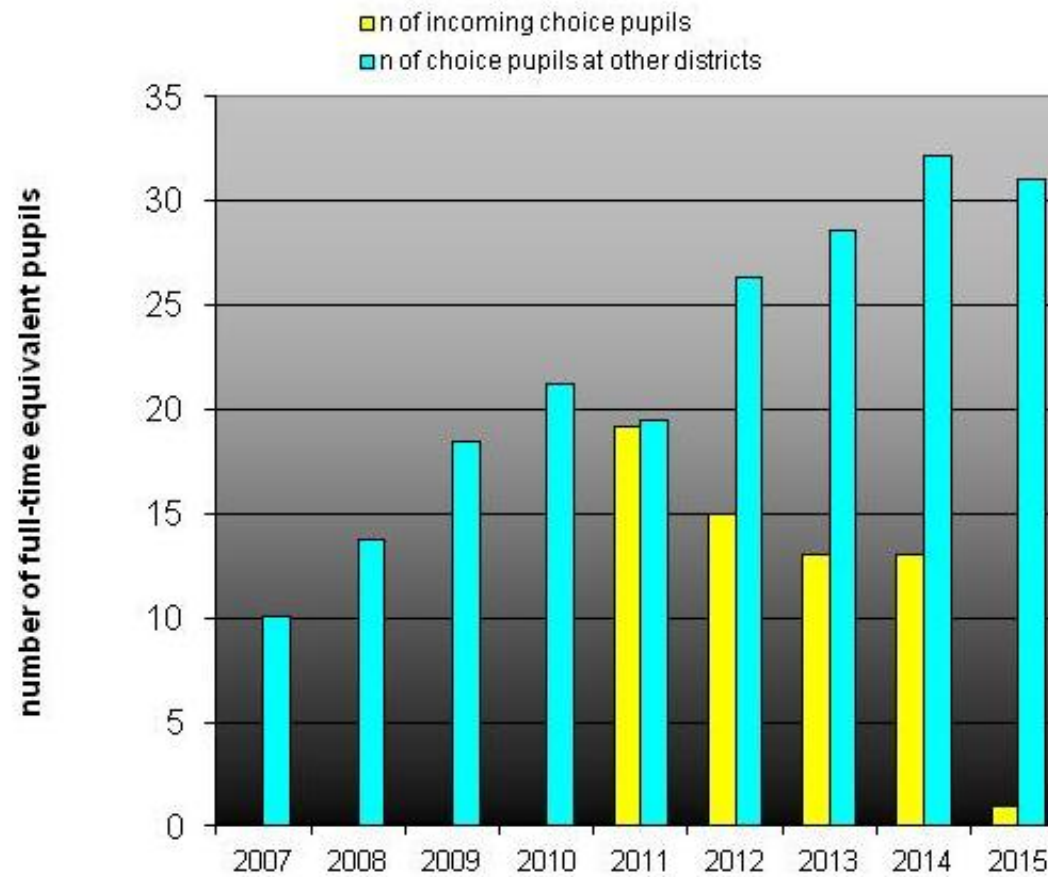
Preliminary FY16 Charter School Tuition Payments and Reimbursements for Sending Districts (Q2)

DISTRICT PAYMENT					STATE AID TO DISTRICT				NET DISTRICT COST
DISTRICT	FTE	LOCAL FOUNDATION TUITION	LOCAL FACILITIES TUITION	LOCAL PAYMENT	100/25/25/ 25/25/25 INCREASED TUITION AID	INCREASED AID PRO RATION	FACILITIES AID	TOTAL CHARTER AID	
SHREWSBURY	72.0	857,957	62,973	920,930	0	0%	62,973	62,973	857,957



Note \$0 tuition aid in FY16. By formula it should be \$60,855 yet the state did not fully fund this account this year.

School Choice History: Enrollment



School Choice History:

FTE & Tuition [Sending & Receiving]

271	SHREWSBURY			
FY	--Receiving--		--Sending--	
	FTE Pupils	Tuition	FTE Pupils	Tuition
2007	0.00	0	10.04	61,861
2008	0.00	0	13.72	78,480
2009	0.00	0	18.48	106,835
2010	0.00	0	21.20	113,286
2011	19.21	96,050	19.48	107,984
2012	15.00	79,568	26.32	149,193
2013	13.00	69,167	28.61	144,191
2014	13.00	68,725	32.14	185,881
2015	1.00	4,989	31.00	220,220
2016	0.00	0	30.00	184,243

- Tuition is \$5,000 per student per year and pro-rated by month if not enrolled for full-year.
- A cost “increment” is applied for special education students depending upon services provided.

School Choice:

Sending Students by Grade Level

K-4= 11

5-8= 6

9-12= 13

The decision to attend another School Choice receiving district is sometimes related to parental employment situations, size of school, access to full-day kindergarten, or other issues not related to comparative quality of S.P.S. versus other school districts.

FDK	Grade 1	Grade 2	Grade 3	Grade 4	Grade 5	Grade 6	Grade 7	Grade 8	Grade 9	Grade 10	Grade 11	Grade 12	Total
3	2	2	1	3	0	3	1	2	2	4	4	3	30
FDK	Grade 1-4				Grade 5-6		Grade 7-8		Grade 9-12				Total
3	8				3		3		13				30

Virtual School Enrollment

- A subset of School Choice Program
 - Currently have 1 student enrolled at the Massachusetts Virtual Academy at Greenfield, MA and 6 students at The Education Cooperative Connections Academy [TECCA]
- Tuition for Virtual School is \$6,700 per student.

School Choice Sending Students: Destination Districts & Grade Level

Receiving District	Grade
AUBURN	09
FITCHBURG	11
GRAFTON	10
GRAFTON	08
HUDSON	06
MILFORD	01
NORTHBRIDGE	KF
UXBRIDGE	11
UXBRIDGE	12
WEST BOYLSTON	04
WORCESTER	02
WORCESTER	03
WORCESTER	KF
WORCESTER	KF
WORCESTER	01
WORCESTER	02
WORCESTER	04
WORCESTER	04
BERLIN BOYLSTON	10
BERLIN BOYLSTON	07
BERLIN BOYLSTON	10
BERLIN BOYLSTON	08
RALPH C MAHAR	12
MAVA	06
TECCA	09
TECCA	11
TECCA	11
TECCA	06
TECCA	12
TECCA	10

- Note three students in full-day kindergarten likely due to inability to access in S.P.S.
- Note seven students enrolled in Virtual Schools
- Anecdotaly we understand some parents work in other school districts/towns and enroll their students as a convenience to their family situation.

Summary Notes

- Charter School enrollment is **declining**
 - Significant net benefit to Town of Shrewsbury/
School Dept. finances.
 - State is currently not fulfilling its reimbursement commitment. In FY16 Shrewsbury should be receiving \$60,855 but instead receiving \$0 aid.
- School Choice enrollment is **flat**
 - Virtual School enrollment is increasing and costs 34% more per student.

Summary Notes

- Estimated FY16 Net Cost to Town/District
\$858,000 for Charter Schools
\$184,000 for School Choice including Virtual Schools
\$1,042,000
- School committee, by law, must vote each year to accept or not accept School Choice students into S.P.S.
 - This should be considered carefully for FY17 and beyond as a means to generate revenue with little to no marginal cost.

Final Note

- The general public policy of creating student choices in public education is one that has *“creating a competitive environment”* at its core.
- To this end, the community’s continued investment in our district is necessary to maintain the high-quality educational and co-curricular programs at all levels.
- This will lead to student retention and forestall the outflow of tuition dollars to other districts.